

Tax Information for Non-Custodial Parents

Non-custodial parent is the parent who has custody of the child for the shorter part of the year or who does not have custody at all.

Do you pay child support?

If **YES**, you should be aware of Federal tax issues that could affect your ability to claim your child as a dependent, or take certain tax credits.

Claiming Your Child as a Dependent

- Special rules apply when determining who may claim a child as a dependent. For example, if you are the non-custodial parent and provide more than half of your child's total support, you still may NOT be able to claim the child as a dependent. Generally, the custodial parent is treated as the parent who provided more than half of the child's support. This parent is usually allowed to claim the exemption for the child if the other dependency tests are met. However, the non-custodial parent may be treated as the parent who provided more than half of the child's support if the custodial parent releases the exemption by signing a Form 8332, *Release of Claim to Exemption for Child of Divorced or Separated Parents*, or a substantially similar statement.
- New Tax Law: Form 8332 is also required for parents who were never married.**

Earned Income Tax Credit

The Earned Income Tax Credit (EITC) is a tax credit for certain people who work and have earned income. It usually means more money in your pocket as it reduces the amount of tax you owe, but you must be eligible!

Don't Guess Whether You Qualify For EITC-KNOW!* Here are some important rules to remember....

- Your child **must** have lived with you for more than half the year (183 days or more) or you will not be eligible to take the credit, *even if you meet all other requirements*.
- The custodial parent, whose child lives with them for more than half the year, may be able to claim the EITC with this qualifying child whether they claim the dependency exemption or not.
- The non-custodial parent will **not** be eligible to claim the EITC for this child, even if you claim the dependency exemption.
- IRS may request documentation, such as copies of birth certificates or medical/school records, to show you are eligible to claim your qualifying child for the purposes of the EITC.
- As the non-custodial parent you may be eligible for the EITC without a qualifying child depending on your earned income.

Child Tax Credit

- The Child Tax Credit can only be claimed by a parent claiming the dependent.
- The custodial parent can sign a Form 8332, *Release of Claim to Exemption for Child of Divorced or Separated Parents*, or a substantially similar statement, and provides it to the non-custodial parent who attaches it to his or her return. Please beware that if the custodial parent releases the exemption, the custodial parent may not claim the Child Tax Credit.

Treasury Offset Program

- If you are due a federal tax refund but have not paid certain debts (such as delinquent child support, military debt, VA debt, or other federal or state debt), all or part of your federal tax refund may be applied to these unpaid debts. The Financial Management Service (FMS) will offset your refund and forward it to the agency to apply to your debt. If you have questions about the Federal Tax Refund Offset Program, please contact FMS toll-free at 1-800-304-3107.
- Some past-due child support payments are assigned to the state when a custodial parent receives various state benefits. In this instance, the custodial parent may not receive past-due child support payments directly.

References (view, download, or order at www.irs.gov)

- Publication 17, Your Federal Income Tax
- Publication 501, Exemptions, Standard Deduction, and Filing Information
- Publication 596, Earned Income Credit
- Publication 972, Child Tax Credit
- Call the IRS for assistance at 1-800-829-1040

****"EITC Assistant"** New online tool to assist you in determining if you qualify for the EITC.

It is available in English and Spanish.

The EITC Assistant is available on www.irs.gov 24 hours a day 7 days a week.



Department of the Treasury
Internal Revenue Service

publish.no.irs.gov

Publication 4449 (2-2005)
Catalog Number 39718N